NEVADA CONSUMERS NEED AN END TO CABLE-TV MONOPOLY

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Most of us in Nevada aren't fans of Big Government.

When we grumble about trigger-happy bureaucrats and excessive regulation controlling our lives, we tend to blame federal officials in far-away Washington, D.C. Typically, Westerners think of local government as less government, more in touch with reality because it's run by people we can actually look in the eye -- or at least get on the phone.

But when it comes to the issue of bringing competition to the cable-TV market, all bets are off. The bureaucrats fighting against letting me pick the cable-TV provider I want are at the local level and the voices demanding less regulation and more competition are in Washington. How's that for a turnaround?

I'm proud to say one of those voices belongs to Sen. John Ensign. He was among a bipartisan group of senators that recently issued a set of "Video Competition Principles" that call for a streamlining of local cable-TV franchising regulations that will "promote broadband deployment" while making sure that "core state and local interests" are protected.

NEGOTIATING A FRANCHISE

Under the outdated franchise regulations in effect today in Nevada, and most every other state but Texas, a new competitor can't come to town and make me a better offer for cable service without first negotiating a "franchise" with my local government.

There are no fewer than 33,000 local governments with video franchising authority, and a company that wants to offer cable-TV service nationwide has to negotiate separate agreements with every blessed one of them.

This system was developed 30 long years ago -- and it's been used ever since to preserve the practice of granting exclusive cable franchises (monopolies) in each local jurisdiction.

It seems to me this system's sole purpose today is to discourage new competition to the entrenched cable-TV companies. But unlike 30 years ago, there are actually viable competitors ready to give the cable monopoly a competitive run for your money. Phone companies like Verizon and AT&T have invested billions in Internet-based, high-speed networks that will let them compete head-to-head with the cable companies -- not just for cable-TV, but for high-speed Internet access and voice-over Internet phone service as well.

HURTING IN POCKETBOOK

Delaying these new competitors from entering the market is hitting us all in the wallet. A study by the Phoenix Center think-tank calculates that one year of delay in competition will cost Nevada consumers $103 million in lost savings from price reductions, and almost $441 million over four years. In terms of losses per household, Nevada will take the biggest hit. A year's delay of competition will cost the average household between $136 and $582 over five years.

By contrast, consumers are enjoying big savings in markets where new competitors have managed to sluice their way around the mountain of local franchise requirements. It's no surprise that the cable companies have room to cut rates. According to Sen. Ensign and the other signers of the "Video Competition Principles," since 1999 cable companies have raised their prices by 60 percent. During that same period, prices for long distance calls went down by 30 percent, and wireless phone service prices dropped by 20 percent.

We'd all welcome the bargains that cable competition would bring. And if I want to get that bargain from a new company, I don't see it as the cable company's or the government's role to tell me I can't. Nevadans themselves should be able to make the decision and not have it made for them.

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